

Public  
Employees'  
Retirement  
System

# PERS Plan 3 Employer Update

Local Government Employers' Edition

## PERS Plan 3 Member Newsletter

Enclosed with this ***PERS Plan 3 Employer Update*** you will find advanced copies of the fourth issue of the ***PERS Plan 3 Transfer Decision News*** member newsletter. The Department of Retirement Systems (DRS) will mail this newsletter to the home addresses of Public Employees' Retirement System (PERS) Plan 2 members in December 2002.

This edition of ***PERS Plan 3 Transfer Decision News*** includes articles on resources available to assist members with making the decision to transfer to PERS Plan 3 or remain in PERS Plan 2; the PERS Plan 3 payment time line; health insurance coverage; transfer payment information; and steps in the transfer process.

Employers are encouraged to post the enclosed newsletters in appropriate locations at your work site to provide members with additional access to PERS Plan 3 information.

## Member Information Form

DRS would like to remind employers that Plan 2 members who choose to transfer to Plan 3 must return their *Member Information Form (MIF)* to their employer, not DRS. DRS has received *MIFs* directly from members. This typically creates additional work and delays the date that members are reported into Plan 3, and thereby, impacts members' Plan 3 defined contribution earnings.

Employers should also be sure to complete section five of the *MIF* prior to sending it to DRS.

Based on DRS' experience with Phase 1 of PERS Plan 3 and other Plan 3 implementations, employers should expect to receive the majority of *MIFs* toward the end of the initial transfer window. DRS would like to encourage you to be prepared for this increase and the impact it may have on your processing schedule.

## DRS Introduces New Electronic Payment Service

DRS is pleased to announce a new electronic application available to all employers called **ePay** (electronic payment). **ePay** will eliminate the need for employers to complete multiple *Payment Advice* forms each month.

Employers who use **ePay** will also minimize their potential liability for lost earnings under Plan 3, as well as reduce the worry that payments will not post to their account on time.

Some of the advantages of using **ePay** include:

- One Web-based *Payment Advice Form* can cover all systems and plans, or you can set up a separate advice and payment for each plan, whatever works best for you
- Enhances your ability to report closer to your pay period and report/pay more than once a month if you choose to do so
- Payment and *Payment Advice* forms are sent electronically, eliminating doubt about when your documents will arrive at DRS
- You set the payment date and amount and DRS will automatically debit your bank account based on your instructions
- If you are currently using WBET for your monthly transmittals or corrections, you can automatically pull and post your totals into the **ePay** payment advice
- DRS provides a secure firewall with user identification and password protection to protect your transactions
- Your information is encrypted meaning transactions are more secure and dependable than the mail
- Your banking information is stored at DRS; you don't have to enter it on the Web
- Minimizes your potential for lost earning charges in Plan 3 and interest charges in Plans 1 and 2
- Eliminates the need for writing, approving, and signing multiple checks and warrants each month

### To Register

To sign up for **ePay** you will need to complete the following two forms and return them to DRS:

- Bank Account Authorization
- Employee Authorization for ePayment

These two forms are available on the DRS Web site's **ePay** sign-up page at <http://www-app3.wa.gov/drs/eservices/employer/Info/SignUp.asp>

As soon as DRS receives the forms, it takes approximately two weeks to complete the pre-notification process with your bank. Once that process is completed, you will receive a confirmation letter from DRS and you can begin saving time, effort, and money by using **ePay**.

More **ePay** information can be found on our Web site at <http://www-app3.wa.gov/drs/eservices/employer/Info/ElectServ.asp> or by contacting ESS via the contact information listed under *Resources* on page 4.

## Plan 3 Reporting

Employers who are experiencing any problems related to Plan 3 reporting, and/or the shift to using the Multiple Record Layout, should contact DRS' Employer Support Services (ESS) via the contact information listed under *Resources* on page 4.

## Member Address Updates

Now that all employers are reporting member address information via the transmittal report, DRS would like to request that updates be sent to us as they occur. Also, please remind your employees of the importance of providing you with their current address. The *Plan 3 Report*, Plan 3 quarterly statements and member newsletters are just a few of the important PERS Plan 3 publications that are mailed directly to members' homes. Therefore, having an up-to-date address on file with DRS is critical for members.

## Employer Training

ESS' formal employer training sessions for PERS Plan 3 have ended. Employers who have questions related to Plan 3 training should contact ESS via the contact information listed under *Resources* on page 4.

## Member Seminars

DRS' Plan 3 education provider, ICMA-Retirement Corporation (ICMA-RC), offers transfer and investment education seminars for members. Transfer education seminars began in June 2002 and investment education seminars began in September 2002. Members can register through the transfer education Web site at <http://www.wa.gov/DRS/member/pers/2or3>. Employers should periodically review this site and inform their employees of local seminars. For questions about transfer and/or investment education seminars, contact Stephanie Dutton, Field Director with ICMA-RC, at 1-800-735-7202 (ext. 5990).

### **Employer Responsibilities**

As the host for the education (Transfer and Investment) seminars, employers are responsible for both the facilities and the learning environment. Employers can assist with creating a positive learning experience by monitoring the education seminars hosted at their site and assisting the seminar presenters if any disruptive behavior occurs. Employers who have questions or concerns regarding these issues, should contact ESS at the number listed under *Resources* on page 4.

## Purchasing Service Credit

Members employed by local governments must have earned service credit in June 2002, or February 2003, in order to qualify for the PERS Plan 3 transfer payment. If you have employees who did not work in June 2002, or will not work in February 2003 because of an authorized leave of absence, they may be eligible to buy service credit for these months. Please refer the member to the *Plan 2 or Plan 3 Recovery of Withdrawn or Optional Service Credit* brochure(s) available on the DRS Web site or call DRS for more information. Refer to the appropriate contact number listed under *Resources* below.

## January Transfer Window

Employers should keep in mind that members who have the right to transfer and who do not transfer to Plan 3 during the initial transfer window (September 1, 2002 through May 31, 2003), will have an opportunity to transfer to Plan 3 each January.

For members who are employed by local governments or municipalities, the first January transfer window will be January 2004. Members who transfer outside of the initial transfer window, however, are not eligible to receive the transfer or retroactive gain sharing payments.

## Resources

**Internet Site:** Additional information will be posted to the Web site at:

<http://www.wa.gov/DRS>

**Employers:** If you have questions, contact ESS at:

**1-800-547-6657 (ext. 47200, option 2) or (360) 664-7200, option 2; or  
via email at [DRSEmployer@drs.wa.gov](mailto:DRSEmployer@drs.wa.gov)**

To order transfer/choice packets/videos, or handbooks, contact DRS at:

**1-800-547-6657 (ext. 47066) or (360) 664-7066**

To order additional investment education packets, videos and posters/flyers, contact IMCA-RC at:

**1-888-711-8773**

**Members:** If members have questions, they can contact DRS at:

**1-800-547-6657 or (360) 664-7000**